Cooperatives and Rural Banks as on December 31st, 1998, and the average rate of interest payable thereon;

(b) the total amount given by such Banks on loans to priority sector's like farmers and educated unemployed persons under such schemes as the Prime Minister Rozgar Yojana, as on the above said date and the rate of interest chargeable thereon indicating other related terms like compounding of interest; and

(c) the reasons for such high rate of interest charged from priority sector debtors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) The total amount of savings bank deposit with the 19 nationalised banks as on March 31, 1998 was Rs. 85,427.8 crore; aggregate deposites with Regional Rural Banks as on March 27, 1998 was Rs. 20,977.8 crore; and deposits with Primary (Urban) Cooperative banks as on March 31, 1998 was Rs. 38,472 crore. The amount of deposits in Post Office Savings Bank Accounts as on March 1997, the latest available with Reserve Bank of India (RBI), was Rs. 6362 crore. At present, the rate of interest on deposits in both Savings Bank Accounts and Post Office Savings Bank Accounts is 4.5 per cent per annum.

(b) and (c) Reserve Bank of India (RBI) have reported that the total advances of public sector banks under priority sector including advances under Government sponsored schemes as on the last Friday of September 1998 was Rs. 94301.79 crore.

With a view to taking care of societal concern, since September 1990, concessionality in lending rates to small borrowers as those coming under the priority sector was linked to a single criterion, viz., the size of the loan [with the exception of advances under differential rate of interest (DRI) scheme and export credit]. Since credit requirements of most of the borrowers of the weaker sections/priority sectors fall within Rs. 2 lakh, concessionality is built into the lending structure for loans upto this limit of Rs. 3 lakhs. With effect from April 29, 1998, credit to small borrowers upto Rs. 2 lakh was made subject to interest rates not exceeding the Prime Lending Rate (PLR) which is available to the best borrower of the concerned bank.

A system of Prime Lending Rate has been put in place since October 1994 whereby banks setout the PLR after obtaining prior approval of their respective Boards which is the minimum lending rate for non-concessional lendings (borrowers with credit over Rs. 2 lakh). The actual rate charged by a bank to a particular borrower, however, depends on relevant factors like the track record of borrowal account, the risk perception, the ruling and expected rate of inflation, the rate of return on the capital employed, the cost of funds to the bank including the interest rate offered on the deposits, the statutory preemption through cash reserve ratio (CRR) and statutory liquidity ratio (SLR) and the spread available to the bank including the administrative and other costs.

The policy governing lending rate prescription is in continuous review and subject to the modification on the basis of emerging developments.

News-item captioned "Tourism Corporation under Probe"

1466. SHRI VAYALAR RAVI: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a report which appeared in the Business Age dated the 8th February, 1999 captioned "Tourism Corporation under Probe";

(b) if so, what are the details thereof; and

(c) whether the Government will entrust the investigation with C.B.I.?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE (SHRI KADAMRUR M.R. JANARTHANAN): (a) to (c) The information is being collected and will be laid on the Table of the House to the extent available.

Excise duty on packed tea

1467. SHRI A. VIJAYA RAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to withdraw excise duty on the packed food items;

(b) if so, the details thereof;

(c) whether Government have withdrawan the excise duty on packed tea; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) No.

(b) Does not arise in view of (a) above.

(c) Yes.

(d) Central excise duty on packed tea has been exempted with effect from 28.2.1999 as part of the Budget for 1999-2000 presented in the Lok Sabha on 27.2.1999.

Commitments of assistance by World Bank and Asian Development Bank

1468. DR. MANMOHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) the commitments of fresh assistance by the World Bank Group and the Asian Development Bank during the current financial year;

(b) how do these commitments compare with commitments during 1997-98; and

(c) what are the expectations for 1999-2000?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The commitment by the World Bank Group during the current bank fiscal year (ending June 1999) is expected to be US $ 2.1 billion for 12 projects excluding the four projects mentioned at Part (b) of the answer. The commitment by Asian Development Bank during 1998-99 was US $ 250 million.

(b) The commitment by the World Bank Group during the bank fiscal year 1997-98 (ending June 1998) was US $ 2.14 billion for 11 projects. In addition four projects for US $ 1.2 billion were negotiated but are yet to be approved by the World Bank. The commitment by Asian Development Bank during 1997-98 was US $ 563 million.

(c) For the World Bank, a similar level of commitment is expected for the bank fiscal year 1999-2000. As regards Asian Development Bank, lending programme of the Bank for 1999-2000 will be finalised after the visit of the Bank's Country Programming Mission to India.

Assistance to steel industry by the Financial Institutions

1469. DR. MANMOHAN SINGH: Will the Minister of FINANCE be plased to state:

(a) whether the Ministry has issued any instructions to the public sector financial institutions regarding assistance to the steel industry;

(b) if so, what are the details of these instructions; and

(c) what is the justificaiton thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) The financial institutions (FIs) sanction assistance to industry based on prudential norms and financial assessment of the proposals. No instructions are